GOVERNMENT OF INDIA
LABOUR AND EMPLOYMENT
LOK SABHA

UNSTARRED QUESTION NO:5289
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ENHANCEMENT OF PENSION
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Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

(a) whether the pensioners of Employees Provident Fund Scheme and Contributory Provident Fund who retired between 1993 to 2004 are getting very meagre amount as pension;

(b) if so, the details thereof indicating the number of persons drawing less than Rupees 500/- as pension and those between Rs. 500/- to Rs. 1000/- separately;

(c) the reasons for payment of such a small amount; and

(d) the steps being taken by the Government to enhance the pension of the said pensioners to make it commensurate with the cost of living?

Answer

MINISTER OF THE STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF LABOUR AND EMPLOYMENT (SHRI OSCAR FERNANDES)

(a): For the members of the Employees` Pension Scheme, 1995 (EPS) who joined the Scheme, on or after 16.11.1995, no minimum monthly members pension is prescribed. The amount of monthly members pension in such cases is computed in accordance with the following factors, namely:

Monthly Member Pension = Pensionable Salary X Pensionable Service/70

As regards the members of the EPS, `95 who were also members of the erstwhile Employees` Family Pension Scheme, 1971, para 12 of the EPS, `95 provides the computation for past service benefits (of the service rendered before 16.11.1995); and the benefit of pensionable service rendered after 16.11.1995. Para 12 of the Employees` Pension Scheme, 1995 also provides for minimum pension for different periods of aggregate service rendered prior to and after 16.11.1995.

(b): The number of pensioners drawing less than Rs. 500/- and those drawing between Rs. 500/- and Rs. 1000/- as pension is 6,83,210 and 6,60,931 respectively (as on 31.12.2006).

(c): The amount of pension is determined in accordance with the provisions of the Employees` Pension Scheme, 1995.

(d): Enhancement of amount of pensionary benefit depends on the position of the Pension Fund. At present, no proposal for enhancement of pension is under consideration of the Government, as the actuarial valuation does not permit any increase.